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THOMAS S. VIRSIK

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President Allen and members of the Board:

For the record, I am Tom Virsik. I am representing the Imperial Group tonight. As usual, I will be brief.

We understand that the Board may be considering a resolution or other action to adopt an allocation or apportionment system. We understand that the details will not be set tonight. The Imperial Group has supported an allocation for some time (it is part of the Nine Point Plan) and thinks it is a necessity given that IID will be forced to live under some sort of water cap so long as the allocation includes (1) a water bank or internal transfer system and (2) is bulletproofed from lawsuits by engaging as much of the farming community as possible and then validating the system in court. We are encouraged that in recent days IID at various levels has sought out input and that we have been able to have some real back and forth on some—but not all—issues.

While the concept of an allocation is easy to support, in the boarder picture we continue to have serious reservations. Just this morning I was in Court down the street asking a judge to order that IID make available certain water records. What we are seeking is a PARITY of information. That means that IID and its beneficiaries can negotiate with each other in good faith as partners in the process. If IID gives the allocation system a green light, the farming community will need to be armed with information so that it can make reasonable choices about the details of an allocation system. The data that would allow people to see how one or another system affects the Valley as a whole is in IID's hands. All anyone else has is his or her own data. If IID has privacy concerns, we are ready to negotiate ways to address any privacy issues.

We also remain concerned with various aspects of the QSA, which I will not detail since that is not the subject of the Board's actions. I will say, though, that if IID is serious about pushing for the QSA in the short term, we stand ready to address the remaining issues immediately and join with IID before the Legislature, the DOI and the other water agencies to make it happen. We propose that our representatives, representatives of other landowners-farmers, the IID, plus a representative of the Counties, and a representative for the cities, immediately start negotiations among themselves and develop a plan (1) to live under the 3.1 cap and (2) a final position on

the QSA acceptable to the entire Valley and then present that plan to the legislature, DOI, and other water agencies. In our view this could all be done in 10-15 days, from the time IID makes its data available. We think that you will need to get near unanimity among the landowners and the other political entities, including the cities, in the Imperial Valley in order to have a credible position before the DOI and before the Legislature.